

LNF & IHCIF Calculations Illustration

- YSLETA DEL SUR in Albuquerque area -

Given Data

- 851 = 1998 user count
- \$2,980 = National average cost per person (not including wrap-around costs)
- 90% = % Expenditures on purchased services, 10% = % expenditures in-house
- 99.6% = Cost index for purchasing health care in this geographic area
- 135.7% = Size cost index for in-house costs due to small or large size
- 97.9% = Albuquerque area cost index for health status above or below average

Cost Adjustment Calculations

- \$2,670 per person for purchased services = $90\% * 99.6\% * \$2,980$
- \$404 per person for in-house services = $10\% * 135.7\% * \$2,980$
- \$3,075 per person total = \$2,670 (purchase) + \$404 (in-house)
- **\$3,011 per person total** adjusted for health status = $\$3,075 * 97.9\%$
- **\$2,266 per person net cost** = $\$3,011 - \745 Other resources (M&M&PI)

Existing Expenditures (for 851 users excluding wrap-around and collections)

- \$2,451 per person = local IHS allowance (excludes \$ for wrap-around)
- \$162 per person = expenditures elsewhere in Albuquerque area on behalf of area users
- \$54 per person = expenditures elsewhere in IHS on behalf of IHS users
- **\$2,667 per person for OU users** = $\$2,451 + \$162 + \$54$

LNF Calculation

- **88.6% Gross LNF** = $\$2,667$ (expenditures) / $\$3,011$ total cost (ignoring Medicare, Medicaid, PI spending on behalf of OU users)
- **117.7% Net LNF** = $\$2,667 / \$2,266$ net cost ($\$3,011 - \745 other)

IHCIF Allocation

- \$0 = \$ to raise LNF% from 117.7% to 60%
- \$258,040,100 = aggregate \$ to raise all locations to 60%
- 3.488% IHCIF fraction = $\$9,000,000$ fund / $\$258,040,100$ needed
- **\$0 Allocation** = \$0 needed for 60% * 3.488% IHCIF fraction

YSLETA DEL SUR Unmet Needs

- **\$1,928,227 Net Total Need** = 851 users * $\$2,266$ net cost
- **\$0 Net Unmet Need** = $(100\% - 117.7\% \text{ LNF}) * 851$ users * $\$2,266$ net cost